

MICHIGAN LABOR MARKET REVIEW

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Michigan Employment
Security Commission

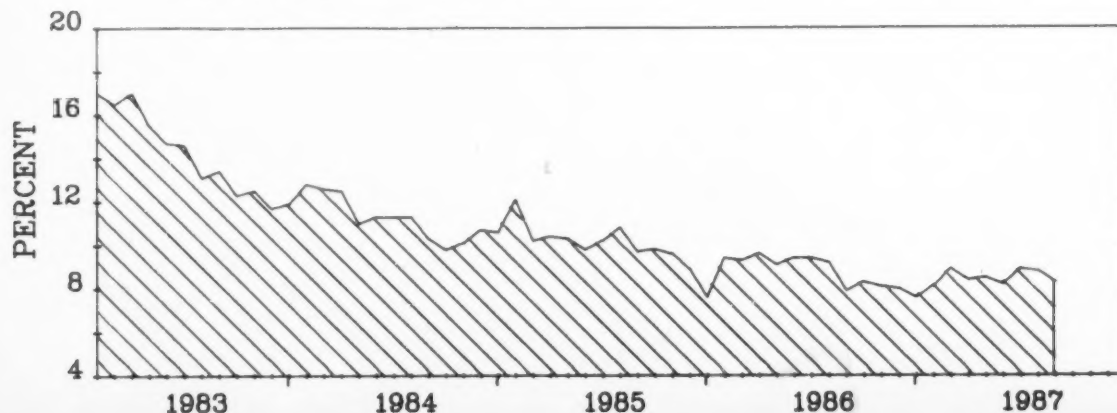
JOBLESS RATE CONTINUES TO FALL IN MICHIGAN

Michigan's unemployment rate decreased by five tenths of a percentage point during the month as the jobless rate dropped from 8.8 percent in July to 8.3 percent in August. The rate decline represents 18,000 fewer individuals out of work, as total state residents seeking employment slipped to 389,000. The decrease in joblessness was primarily a result of employment gains in the tourism industry and the return of workers to the automotive plants following the end of model changeover. Total employment in August registered a significant gain as the number of employed residents jumped by 104,000 to reach 4,296,000. Additionally, the civilian labor force climbed to 4,685,000, an increase of 86,000. Compared with a year ago, employment in Michigan has jumped by 225,000, while the size of the labor force has expanded by 266,000. In August 1986, the total number of persons out of work amounted to 348,000, representing an unemployment rate of 7.9 percent.

JOB OPPORTUNITIES INCREASE

Wage and salary employment in Michigan rose as total industry jobs climbed to 3,665,000 in August. Employment opportunities advanced by approximately 25,000 as gains were centered in both the goods producing and service producing sectors of the economy. Total employment in the goods producing industries increased by 22,000 primarily as a result of automotive recalls following the traditional model changeover period. Service producing employment inched upward by 3,000 to 2,559,000 in August, as retail trade gains offset government losses. Public sector positions slipped by 3,000 as a result. Since August 1986, industry employment in Michigan has increased by 36,000 positions or one percent. Approximately 55,000 service producing jobs have been added throughout the year, while goods producing employment has declined by 19,000.

MICHIGAN UNEMPLOYMENT RATES (1983-1987)



Civilian Labor Force, Employment, and Unemployment Estimates

State of Michigan

ITEM	AUGUST 1987	JULY 1987	JUNE 1987	AUGUST 1986
PLACE OF RESIDENCE				
Civilian Labor Force	4685	4599	4574	4419
Employment	4296	4192	4166	4071
Unemployment	389	407	408	348
Rate	8.3	8.8	8.9	7.9
PLACE OF WORK				
Wage and Salary Employment	3665	3640	3709	3629
Goods Producing Industries	1106	1084	1128	1125
Construction and Mining	161	158	152	136
Mining	11	11	11	10
Construction	150	146	141	126
Special trade Contractors	97	96	91	79
Other Construction	52	50	50	46
Manufacturing	945	926	975	989
Durable Goods	720	703	752	768
Lumber and Wood Products	14	14	14	14
Furniture and Fixtures	29	29	28	27
Stone, Clay and Glass Products	17	17	17	17
Metals	163	158	166	167
Primary Metals	48	46	48	49
Fabricated Metals	115	112	118	119
Nonelectrical Machinery	123	121	124	130
Electrical Machinery	37	38	38	37
Transportation Equipment	314	304	341	354
Motor Vehicles and Equipment	292	282	319	333
Other Transportation Equipment	22	22	23	21
Other Durable Goods	22	22	22	22
Nondurable Goods	224	223	224	221
Food and Kindred Products	49	49	47	49
Textiles and Apparel	23	22	24	24
Paper and Allied Products	21	21	21	20
Printing and Publishing	38	38	39	37
Chemicals and Petroleum	44	44	44	43
Other Nondurable Goods	49	48	49	47
Rubber and Plastic Prod.	46	46	47	45
Leather Products	2	2	2	3
Service Producing Industries	2559	2556	2581	2504
Trans., Comm. and Utilities	150	151	151	149
Transportation and Utilities	115	115	116	114
Communications	36	36	35	35
Wholesale Trade	179	179	180	178
Durable Goods	115	115	117	115
Nondurable Goods	65	64	63	63
Retail Trade	670	667	667	651
General Merchandise Stores	94	94	94	94
Food Stores	92	92	91	92
Automotive Dealers and Services	74	75	75	73
Eating and Drinking Places	240	238	240	230
Other Retail Trade	170	168	168	162
Finance, Insurance and Real Estate	184	184	182	175
Finance	93	93	92	90
Insurance and Real Estate	91	91	90	85
Services	807	806	805	795
Business Services	171	172	172	169
Health Services	269	269	268	267
Other Services	367	365	365	359
Government	567	570	596	555
Federal	61	61	61	61
State	142	141	143	135
Local	364	368	391	360
Labor Disputes	0	0	0	4

CIVILIAN LABOR FORCE data are based on the monthly Current Population Survey of the U.S. Bureau of Labor Statistics - 1986 Benchmark.

WAGE AND SALARY EMPLOYMENT is based on a monthly sample of employing establishments as part of the cooperative federal-state Current Employment Statistics program - March 1986 Benchmark.

CLAIMS ACTIVITY

The number of individuals collecting regular unemployment benefits increased for the third consecutive in August. The regular benefits claims load averaged 138,592 per week during the month, approximately 27,910 more than the July total.

The 25 percent increase in the monthly average was primarily a result of model changeover in the automotive industry. In August 1986, the number of claimants drawing benefits under the regular benefit program averaged 101,615, or approximately 27 percent lower than the present total.

WEEKLY CLAIMS FOR UNEMPLOYMENT INSURANCE

Week Ending	Michigan			Detroit		
	Total	Initial	Continued	Total	Initial	Continued
August 01, 1987	176,000	29,500	146,500	92,000	13,300	78,700
August 08, 1987	174,900	19,600	155,300	91,300	9,400	81,900
August 15, 1987	156,400	14,600	141,800	80,000	6,500	73,500
August 22, 1987	131,900	14,100	117,800	67,400	7,200	60,200
August 29, 1987	122,300	16,800	105,500	61,400	7,300	54,100

AREA PRICES CONTINUE TO RISE

Consumer prices in the Detroit metropolitan area increased from 330.2 in June to 333.5 in August. The increase in Detroit area prices was primarily due to higher costs for transportation, housing and medical care. Prices in the area climbed by 3.2 percent since August 1986, when the consumer price index stood at 323.2. At the national level, the cost of living advanced by six tenths of a percent to reach 342.7 during the month.

The higher national prices were due to additional costs for men and women's apparel. Between August 1986 and August 1987, national consumer prices increased by 4.3 percent. One year ago, the national index registered 328.6. Note: Beginning in January 1987, the Detroit index which was previously published monthly, is now issued only for even numbered months.

HOURS AND EARNINGS

The average workweek of Michigan workers in manufacturing industries increased to 41.3 hours in August. The increase occurred primarily as a result of additional hours worked by individuals in the electrical machinery industry.

During the month average hourly earnings dipped by four cents to \$12.74, while average weekly earnings increased by \$4.74 to total \$526.16. In August 1986, earnings averaged \$12.67 an hour or \$525.80 per week for a 41.5 hour workweek.

MICHIGAN'S HOURS AND EARNINGS

Industry	Average Hourly Earnings a/			Average Weekly Hours a/			Average Weekly Earnings a/		
	Aug 1987	July 1987	Aug 1986	Aug 1987	July 1987	Aug 1986	Aug 1987	July 1987	Aug 1986
TOTAL MANUFACTURING	\$12.74	\$12.78	\$12.67	41.3	40.8	41.5	\$526.16	\$521.42	\$525.80
DURABLE GOODS	13.33	13.38	13.22	41.3	40.9	41.4	550.53	547.24	547.31
Primary Metal Products	12.85	12.94	12.33	42.5	41.9	42.9	546.12	542.19	528.96
Fabricated Metal Products	12.44	12.48	12.41	40.3	40.2	41.4	501.33	501.70	513.77
Nonelectrical Machinery	13.11	13.14	12.90	42.8	42.1	42.2	561.11	553.19	544.38
Electrical Machinery	10.89	10.76	10.65	40.4	38.6	43.2	439.96	415.34	460.08
Motor Vehicles & Equip.	15.42	15.47	15.23	41.3	41.5	40.7	636.85	642.00	619.86
NONDURABLE GOODS	10.82	10.85	10.69	41.1	40.3	41.8	444.70	437.25	446.84
Contract Construction	15.68	15.74	15.59	38.5	40.4	39.4	603.68	635.90	614.25
Department Stores	6.69	6.19	6.75	28.7	28.5	27.4	192.00	176.41	184.95

a/ Average weekly and hourly earnings are computed from aggregates of individual establishment reports utilizing the total amount paid to production workers and total production hours. Average weekly and hourly earnings differ from weekly and hourly rates in that they are affected by overtime wage rates, part-time earnings, the length of the workweek, etc.

Note: Current month data are preliminary.

CIVILIAN LABOR FORCE, EMPLOYMENT AND UNEMPLOYMENT ESTIMATES
AUGUST 1987 (Preliminary)

Area	Civilian Labor Force	Total Employment	Total Unemployment	Unemployment Rate
United States	121,614,000	114,527,000	7,088,000	5.8
Michigan	4,685,000	4,296,000	389,000	8.3
Major Labor Markets				
Ann Arbor MSA	159,400	151,900	7,400	4.7
Battle Creek MSA	66,100	60,400	5,600	8.5
Benton Harbor MSA	80,200	74,600	5,600	6.9
Detroit MSA	2,275,000	2,083,000	192,000	8.5
Flint MSA	211,600	182,600	28,900	13.7
Grand Rapids MSA	351,600	328,900	22,700	6.5
Jackson MSA	65,300	60,000	5,300	8.1
Kalamazoo MSA	116,900	110,500	6,400	5.5
Lansing MSA	241,600	222,900	18,700	7.7
Muskegon MSA	71,000	64,500	6,400	9.1
Saginaw-Bay-Midland MSA	194,800	179,200	15,600	8.0
Upper Peninsula LMA	138,700	127,100	11,600	8.3
Major Counties (15,000+)				
Allegan	56,100	53,250	2,850	5.1
Barry	22,150	20,475	1,675	7.5
Bay	56,425	51,125	5,300	9.4
Branch	18,200	16,700	1,475	8.2
Cass	25,575	23,825	1,750	6.8
Clinton	30,200	27,800	2,425	8.0
Delta	16,800	15,250	1,550	9.2
Eaton	52,000	48,425	3,575	6.9
Grand Traverse	36,400	33,825	2,575	7.1
Gratiot	17,900	15,750	2,150	12.0
Hillsdale	20,125	18,175	1,950	9.7
Huron	16,925	15,625	1,325	7.8
Ingham	159,350	146,650	12,725	8.0
Ionia	20,000	17,625	2,375	11.8
Isabella	26,450	25,075	1,375	5.2
Kent	260,625	242,425	18,200	7.0
Lapeer	35,025	30,300	4,725	13.5
Lenawee	43,700	39,025	4,675	10.7
Livingston	52,500	49,550	2,925	5.6
Macomb	390,800	358,500	32,300	8.3
Marquette	28,350	26,375	1,975	7.0
Midland	37,525	35,350	2,150	5.8
Monroe	65,275	59,925	5,350	8.2
Montcalm	22,275	19,700	2,550	11.5
Newaygo	17,625	16,175	1,450	8.3
Oakland	600,100	554,475	45,600	7.6
Ottawa	91,025	86,525	4,500	4.9
Saginaw	100,825	92,700	8,125	8.1
St. Clair	67,850	61,175	6,675	9.8
St. Joseph	27,725	25,000	2,725	9.8
Sanilac	22,575	20,500	2,075	9.2
Shiawassee	36,150	31,950	4,200	11.6
Tuscola	24,500	21,775	2,700	11.1
Van Buren	32,325	29,475	2,875	8.9
Wayne	1,063,575	968,850	94,700	8.9

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